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WHITE CITY

Congress of the United States
House of Representatives

Testimony of Congressman Greg Walden
CARES Commission Hearing
Medford, Oregon
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Mr. Chairman and Commissioners,

I would like to thank the CARES Commission for honoring my request for a local hearing regarding the VA Southern Oregon Rehabilitation Center and Clinics (SORCC). I'm pleased to welcome you to southern Oregon, home to the good people and beautiful landscape of the Rogue Valley. Regrettably, a prior commitment has prevented me from being able to return to Oregon from the East Coast in time to appear before you in person. However, my local veterans affairs aide, Troy Ferguson, will be happy to answer any questions you may have following the recitation of my testimony. I have discussed with him at great length the important issues being considered today and am confident in his ability to represent my position.

Upon learning of the proposal to realign services at the White City "Dom," Sen. Gordon Smith and I immediately registered our concerns with Veterans Affairs Secretary Anthony Principi and made clear our opposition to any curtailment in services available to local veterans. Since then the entire Oregon congressional delegation has joined us in voicing opposition to this proposal, and I am grateful for their support. I am confident that the testimony offered here today will be sufficient to convince the commission that the Draft National CARES Plan (DNCP) recommendations regarding the SORCC are seriously flawed.

For years, the veterans of southern Oregon have lived with the persistent rumor that the "Dom" would be closing. Time and time again, they have contacted me to express their outrage and fear that the VA would cut services. Time and time again, I have communicated with the VA and been reassured that the rumor was false and that any changes in service at White City would be for the best. I have been confident in that assessment until now.

As you are aware, the DNCP calls for the realignment of inpatient domiciliary and compensated work therapy programs to "another VAMC in VISN 20," while outpatient services would remain. Some veterans might look at this and say, "It's only two programs. I don't mind, as long as I can still see a doctor." However, now is not the time for apathy.

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First and foremost, SORCC provides intensive residential rehabilitative care to veterans battling homelessness, mental illness and substance abuse. SORCC provides these special disability populations with the tools needed to become productive members of society again and follows that initial residential care with continued outpatient treatment. It is a nationally accredited, nationally recognized leader in this type of care. To remove any facet of inpatient care by realigning services would destroy the primary mission of SORCC.

The VA needs to realize that SORCC is no mere domiciliary, but rather a comprehensive national mental health care treatment facility. There are over 17,000 homeless veterans in VISN 20 that require the unique biopsychosocial care that SORCC provides. A great number of veterans are referred to SORCC from across the United States. Indeed, over 90% of the inpatients come from over 100 miles away. Where does the VA intend to place these veterans if the services provided at SORCC are eliminated? No other medical center in the VISN is equipped to handle the workload without a sizeable expenditure for upgrades. Additionally, there is no private-sector equivalent to this type of care. The DNCP even recognizes this fact, but still recommends the realignment of inpatient services away from SORCC.

Let us look at the rationale behind this recommendation. We cannot defer to the DNCP for this because it does not explain it. It was not a planning initiative identified by the VISN 20 stakeholders. Ultimately, I believe the recommendation represents a shortsighted attempt to avoid the responsibility of adequately funding the long-term needs of the region's veterans.

Despite its innovations in treatment and for all its cost efficiency, SORCC has one major flaw. It is built on an antiquated infrastructure. It is the crumbling remnant of a World War II Army camp. The 17 buildings that house its residential domiciliary program are seismically unsound and unsafe. The VA's own seismic inventory completed in March of this year estimated that the current construction cost to replace these buildings was almost \$80 million. However, the DNCP does not address any of the costs for making seismic corrections at White City, other than to say, "these are included in building replacement costs."

In meeting with SORCC administrators and through my research into this subject, I have learned that in 2001, SORCC submitted a Capital Investment Proposal (CIP) to retrofit 6 of the 17 buildings at a cost of \$21 million. This CIP has not been acted upon due to the CARES process. In 2002, SORCC prepared a more aggressive conceptual CIP that would replace the currently deficient infrastructure and consolidate all inpatient programs into one new modern building at a cost of \$30 million. It is unclear to me if this the building replacement mentioned in the DNCP.

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This new facility would improve veterans' access to care, the quality of that care, and insure the future of SORCC. Moreover, it complies with CARES objectives by reducing space and associated facilities management costs. Rather than throwing money away by trying to maintain aged buildings or by shuffling veterans around to other facilities that cannot provide the level of service offered at SORCC, the VA could invest those same dollars into a facility that desperately deserves them. I urge the CARES commission to carefully review and recommend this CIP in its final recommendation to the Secretary.

My focus on inpatient care is not without reason. I am deeply concerned that loss of inpatient services would have a detrimental affect on the future of ambulatory care to veterans of southern Oregon. SORCC provides primary and specialty outpatient care to the veterans of Jackson, Josephine, Klamath, and Lake counties. Jackson County has the fastest growing veteran population in the state. Some 9,000 veterans will pass through the gates of the SORCC campus this year for ambulatory care. That is an increase of 11% over 2002 levels. Outpatient visits have increased by 200% over the past five years.

Based on this information, the planning initiatives set forth by stakeholders recommended expanding and strengthening ambulatory care at SORCC. If inpatient services are lost, I can see no reason why the VA would maintain 142 acres of prime real estate to house a single ambulatory care center and several vacant buildings. Even with the possibility of enhanced use leases with Rogue Community College or Jackson County to permit use of this vacant space, I believe there would not be enough incentive to maintain the current site. Where would veterans go to receive care? As the veterans in attendance here today will tell you, driving to Roseburg for routine care is not an option they would consider; nor should you, as this would fall outside of the access criteria as defined in the DNCP.

What remains is the very real possibility of relocating ambulatory care elsewhere in the Rogue Valley. Earlier this year, I submitted an appropriations request for \$3.95 million to fund a new ambulatory care center at SORCC. Unfortunately, it was not approved, though I intend to continue to press the matter next fiscal year. However, I do not believe the VA could purchase or lease, remodel, and equip an existing building in the immediate area for the same amount. These veterans deserve more than a glorified Community Based Outreach Clinic.

Finally, I would like the commission to weigh the economic impact that the DNCP recommendation. SORCC is a major employer in the Rogue Valley with over 450 employees. It contributes \$28 million a year to the local economy and through its compensated work therapy program adds to the local workforce. SORCC predicts that at least 315 of its full time equivalent employees would be affected by the realignment of services. Even if a reduction of force is not anticipated in the transition of the services, many of these employees have spent their entire career at White City and may be unwilling to relocate with the services.

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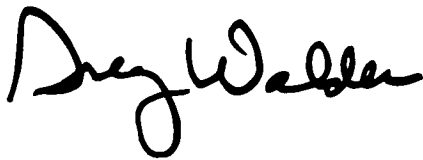
I cannot express to you the dire consequences these changes would bring to the area. The potential loss of jobs and revenue stemming from this recommendation is not something that the already struggling regional economy can easily sustain. Unemployment in Oregon is the highest in the nation. Locally in Jackson County, it sits at 8.2%. Although there has been some growth of private sector health care in the area, many of these highly skilled workers would likely have a difficult time finding employment.

I have not seen any evidence that would convince me that any of the discussed recommendations or supposed outcomes would provide greater access to care for veterans or provide any long-term savings to the VA.

Mr. Chairman, I would like to conclude by positing a simple question: Why it is that SORCC is so important to Oregon's veterans? The answer is quite simple. It is their "Dom." It is southern Oregon's only tangible reminder of the promise made to them by their government to care for them for their service. I urge you to carefully consider the evidence presented to you and keep that promise alive.

Thank you again for giving me the opportunity to present both my opinions and what I believe to be extremely compelling facts that are critical for the commission to digest before proceeding with their final recommendations regarding the draft plan. I continue to stand ready to assist the commission in any way to keep the SORCC a vital component of the VA system for years to come.

Sincerely,

A handwritten signature in black ink, appearing to read "Greg Walden". The signature is fluid and cursive, with the first name "Greg" and last name "Walden" clearly distinguishable.

Greg Walden
Member of Congress